

INDIVIDUAL INCOME TAX RETURN

FOR NET INCOMES OF MORE THAN \$5,000

OR SEPARATE RETURNS OF HUSBAND AND WIFE IF COMBINED NET INCOME EXCEEDS \$5,000

For Calendar Year 1922

Or for period begun _____, 1921, and ended _____, 1922

File This Return Not Later Than the 15th Day of the Third Month Following the Close of the Taxable Period
(PRINT NAME AND ADDRESS PLAINLY BELOW)

(Name)

(Street and number, or rural route)

(Post office) (County) (State)

Do Not Write In This Space

SERIAL NUMBER

FILE CODE

FIRST PAYMENT

\$

Examined by

(Cashier's Stamp)

Cash Check M.O. Cert. of Ind.

OCCUPATION, PROFESSION, OR KIND OF BUSINESS _____

1. Are you a citizen or resident of the United States? _____ 2. If you filed a return for 1921, to what Collector's office was it sent? _____ 3. Is this a joint return of husband and wife? _____
4. If not, is a separate return being filed by your husband or wife? _____ If so, state: (a) Name and address entered at head of that return _____ (b) Exemption claimed, \$ _____
5. Were you married and living with husband or wife on the last day of your taxable period? _____ 6. If not, were you on the last day of your taxable period supporting one or more persons living in your household who are closely related to you by blood, marriage, or adoption? _____
7. How many dependent persons (other than husband or wife) under 18 years of age or incapable of self-support because mentally or physically defective were receiving their chief support from you on the last day of your taxable period? _____

Item and Instruction No.	INCOME	Amount received.	Expenses paid. <i>(Explain in Schedule G.)</i>			
1. Salaries, Wages, Commissions, etc. (State name and address of person from whom received.)		\$	\$	\$		
2. Income from Business or Profession. (From Schedule A)						
3. Interest on Bank Deposits, Notes, Mortgages, and Corporation Bonds						
4. Income from Partnerships, Fiduciaries, etc. (State name and address of partnership, etc.)						
5. Rents and Royalties. (From Schedule B)						
6. Profit from Sale of Real Estate, Stocks, Bonds, etc. (From Schedule C)						
7. Dividends on Stock of Domestic Corporations						
8. Taxable Interest on Liberty Bonds, etc. (From Schedule E)						
9. Other Income (including dividends received on stock of foreign corporations. (State nature of income))						
(a) _____						
(b) _____						
(c) _____						
10. TOTAL INCOME IN ITEMS 1 TO 9				\$		
DEDUCTIONS						
11. Losses by Fire, Storm, etc. (Explain in Schedule F)				\$		
12. Interest Paid						
13. Taxes Paid						
14. Bad Debts. (Explain in Schedule G)						
15. Contributions. (Explain in Schedule G)						
16. Other Deductions Authorized by Law. (Explain in Schedule G)						
17. TOTAL DEDUCTIONS IN ITEMS 11 TO 16				\$		
18. NET INCOME (Item 10 Minus Item 17)				\$		

COMPUTATION OF TAX

19. Net Income (Item 18 above)	\$			27. Normal Tax (4% of Item 25)	\$
20. Less: Dividends (Item 7 above)	\$			28. Normal Tax (8% of Item 26)	
21. Taxable Interest on Liberty Bonds, etc. (Item 8 above)				29. Surtax on Item 19 (see Instruction 29)	
22. Personal Exemption and Credit for Dependents				30. Tax on Capital Net Gain (12½% of column 9, Schedule D) (see instruction G)	
23. TOTAL OF ITEMS 20, 21 AND 22				31. Total Tax	\$
24. Balance (Item 19 minus Item 23)	\$			32. Less: Income Tax paid at the source	\$
25. Amount taxable at 4% (not over \$4,000)				33. Income and profits taxes paid to foreign countries or possessions of the U. S. (attach Form 1116)	
26. Balance taxable at 8% (Item 24 minus Item 25)	\$			34. Balance of Tax (Item 31 minus Items 32 and 33)	\$

INSTRUCTIONS

The Instruction Numbers on this Page Correspond with the Item Numbers on the First Page of the Return

1. INCOME FROM SALARIES, WAGES, COMMISSIONS, ETC.

Enter as Item 1 on page 1 of the return, all salaries or other compensation credited by or received from outside sources, and any salaries included as a deduction in line 10, Schedule A, for (a) yourself, (b) your husband or wife. If a joint return is filed, and (c) each dependent minor child having a net income of less than \$1,000 per annum. Use a separate line for each entry, giving the information requested.

Any expenses claimed as a deduction for necessary expenditures against salaries, etc., such as traveling expenses while away from home in the pursuit of a trade or business, should be fully described in Schedule G, page 2 of the return, or on an attached statement. Traveling expenditures ordinarily include expenditures for railroad fares, meals, and lodging.

2. INCOME FROM BUSINESS OR PROFESSION.

If you owned a business, or practiced a profession on your own account, fill in Schedule A on page 2 of the return, and enter the net income (or loss) as Item 2 on page 1, of the return.

This schedule should include income derived from the following sources: (a) Sale of merchandise, or products of manufacturing, mining, construction, and agriculture; (b) Business service, such as amusements, hotel and restaurant service, livery and garage service, laundering, storage, transportation, etc.; and (c) Professional service, such as dentistry, law, or medicine.

In general, report any income in the earning of which you incurred expenses for material, labor, supplies, etc.

Farmer's income schedule.—If you are a farmer or rent your farm out on shares and keep no books of account, or keep books on a cash basis, obtain from the Collector, and attach to this return, Form 1040 F, Schedule of Farm Income and Expenses. Report the net farm income as Item 2, page 1 of the return. If your farm books of account are kept on an accrual basis, the filing of Form 1040 F is optional. Income from salaries, interest, rents, sales of property, etc., should be entered in Items 1 to 4 of the return.

Installment sales.—If you have used the installment method in computing income from installment sales you must attach to your return a schedule showing separately for the years 1919, 1920, 1921, and 1922 the following information: (a) Gross sales (b) Cost of goods sold; (c) Gross profits; (d) Percentage of profits to gross sales; (e) Amount collected; (f) Gross profit on amount collected.

Kind of business.—Describe the business or profession, in the space provided at the top of page 1 as "grocery," "retail clothing," "drug store," "laundry," "doctor," "lawyer," "farmer," etc.

Total income from business or profession.—Enter on Line 1 of Schedule A the total income from sales or services, less any discounts or allowances from the sale price or service charge.

Inventories.—If engaged in a trade or business in which the production, purchase, or sale of merchandise is an income-producing factor, secure from the Collector of Internal Revenue and file as a part of this return a *Certificate of Inventory, Form 1126*.

Salaries.—Enter on Line 10 all salaries and wages not included as "Labor" on Line 2 under "Cost of Goods Sold." Any salary or wages deducted for your own services or the services of your dependent minor children must be entered as income in Item 1 of your return.

Rent.—Enter on Line 11 rent on business property in which you have no equity. Do not include rent for dwelling you occupy for residential purposes.

Interest.—Enter on Line 12 interest on business indebtedness to others. Do not include interest to yourself on capital invested in or advanced to the business.

Taxes.—Enter on Line 13 taxes on business property or for carrying on business. Do not include taxes assessed against local benefits of a kind tending to increase the value of the property assessed, as for paving, sewers, etc., nor Federal income taxes.

Repairs, wear and tear, obsolescence, depletion, and property losses.—Enter on Line 14 (a) ordinary repairs required to keep property in usable condition, (b) reasonable allowance for exhaustion, wear and tear of property used in the trade or business, including a reasonable allowance for obsolescence, and (c) losses of business property by fire, storm, or other casualty, or theft, not compensated for by insurance or otherwise and not made good by repairs claimed as deductions. Explain these deductions in space under Schedule A.

The amount claimed on account of depreciation, by reason of exhaustion, wear and tear, and obsolescence, should not exceed the original cost (not replacement cost) of the property, or if acquired prior to March 1, 1913, the fair market value on that date, divided by the probable number of years remaining of its useful life. If obsolescence is claimed, state why useful life is less than actual life.

In case a deduction is claimed on account of depreciation in the value of patents, copyrights, franchises, and other legal privileges, or on account of depletion of mines, oil or gas wells, and timber, see Articles 171 to 171 and 201 to 237 of Regulations 62.

Do not claim any deduction for depreciation in the value of a building occupied by you as a dwelling, or of other property held for personal use, nor for land (exclusive of improvements thereon), nor on stocks, bonds, and like securities.

Bad debts.—Enter on Line 15 debts, or portions thereof, arising from sales or professional services that have been reported as income, which have been definitely ascertained to be worthless and have been charged off within the year, or such reasonable amount as has been added to a reserve for bad debts within the year.

A debt previously charged off as bad, if subsequently collected, must be returned as income for the year in which collected.

Other expenses.—Enter on Line 16 all ordinary and necessary business expenses, not classified above, such as fire insurance, heat, light, and traveling expenses. (See Instruction 1.) Do not include cost of business equipment or furniture, expenditures for replacements, or for permanent improvements to property, nor personal living and family expenses.

Deficit.—If the amount to be entered on Line 19 shows a deficit, indicate by using red ink or a minus sign.

3. INTEREST ON BANK DEPOSITS, ETC.

Enter as Item 3 all interest received or credited to your account during the taxable period on bank deposits, notes, mortgages and corporation bonds. Interest on bonds is considered income when due and payable.

If you claim a credit on account of income tax paid at the source on corporation bonds, such credit should be 2 per cent of the amount of interest received on the bonds, in connection with which you filed a white ownership certificate (Form 1000), and should be entered as Item 32 on page 1 of the return.

4. INCOME FROM PARTNERSHIPS, FIDUCIARIES, ETC.

Enter as Item 4 your share (whether received or not) in the profits of a partnership, or in the income of an estate or trust, except, (a) if it is desired that the tax on the share of net gain derived from the sale of capital assets be computed as provided in Instruction 6. Each net gain shall be entered separately in Schedule D, and (b) that the share of the profit which consisted of dividends on stock of domestic corporations, and the taxable interest on obligations of the United States, shall be included in Items 7 and 8, respectively, on page 1 of the return.

Enter in Item 1, salary received from a partnership or corporation.

If the taxable period on the basis of which you file your return fails to coincide with the annual accounting period of the partnership or fiduciary, then you should include in your return your distributive share of the total net income for such accounting period, ending within your taxable period.

5. INCOME FROM RENTS AND ROYALTIES.

Explain in Schedule B depreciation, depletion, repairs, and other expenses.

If you received property or crops in lieu of cash rent, report the income as though the rent had been received in cash. Crops received as rent on a crop-share basis should be reported as income for the year in which disposed of (unless your return shows income accrued).

State the original cost of the property, or if it was acquired prior to March 1, 1913, the fair market value on that date.

Enter as depreciation the amount of wear and tear and obsolescence, or depletion, sustained during the taxable period 1922.

Other expenses include interest, taxes, fire insurance, fuel, light, labor, and other necessary expenses of this character.

6. PROFIT FROM SALE OF REAL ESTATE, BONDS, ETC.

Describe the property briefly in Schedule C, as "farm," "house," "bonds."

State the actual consideration or price received, or the fair market value of the property received in exchange. Expenses connected with the sale, such as commissions paid agents, may be deducted in computing the amount received.

Enter the original cost of the property, and if it was acquired prior to March 1, 1913, the fair market value on that date. Attach statement explaining how value at March 1, 1913, was determined. In computing the taxable gain or deductible loss on property acquired prior to March 1, 1913, see Article 1561 of Regulation 62. Expenses incidental to the purchase may be included in the cost if never deducted from income. If the property was acquired by gift, bequest, devise, or inheritance after March 1, 1913, or in any manner prior to that date, see Section 202 of the Revenue Act of 1921.

Enter as depreciation the amount of wear and tear and obsolescence, or depletion, sustained and allowable as a deduction since March 1, 1913, or since date of acquisition, if subsequent to March 1, 1913. In the case of sales of stocks and bonds, no deductions should be taken in columns 4 and 7 for "Depreciation" and "Subsequent improvements."

Subsequent improvements include expenditures for additions, improvements and repairs made to restore the property or prolong its useful life. Do not deduct ordinary repairs, interest and taxes in computing profit or loss.

If the net result to be entered in Item 6 is a deductible loss, indicate the deficit by using red ink or a minus sign.

Capital net gains.—If desired, the net gains derived from the sale or exchange of capital assets acquired and held by you for profit or investment for more than two years may be completed separately in Schedule D, instead of Schedule C, and a tax of 12½ per cent paid on the income from this source in lieu of the regular normal tax and surtax provided that the total tax (Item 31) shall not be less than 12½ per cent of the total net income (Item 13 plus column 9, Schedule D). This includes property of any kind, whether or not connected with the trade or business, except property held for personal use or consumption by yourself or family. The term "capital net gain" means the excess of the total amount of capital gain over the sum of the capital deductions and capital losses.

Fill in Schedule D in accordance with Instructions above for Schedule C, if the tax is computed under this provision. The net gain computed in Schedule D should not be included in Item 6, as the tax on 12½ per cent upon such gain will be entered separately as Item 30. (See Section 386 of the Revenue Act of 1921, and Articles 1631 to 1633 of Regulation 62.)

7. DIVIDENDS.

Report as Item 7 the amount received as dividends (a) from a domestic corporation other than a corporation entitled to the benefits of Section 262 of the Revenue Act of 1921, or (b) from a foreign corporation when it is shown to the satisfaction of the Commissioner that more than 50 per cent of the gross income of such foreign corporation for the three-year period ending with the close of its taxable year preceding the declaration of such dividends (or for each part of such period as the corporation has been in a ???) was derived from sources within the United States, including your share of such dividends received on stock owned by a partnership, or an estate or trust.

8. TAXABLE INTEREST ON LIBERTY BONDS, ETC.

The interest on Liberty Bonds and other obligations of the United States issued since September 1, 1917 (except Victory Liberty Loan 3½% Notes, and postal saving certificates of deposit), is subject to surtax to the extent that the holding exceed the exemptions provided by the act authorizing the issue thereof and subsequent acts.

The exemptions at the head of columns 2, 3, and 4, Schedule E, are applicable to the obligations listed on lines (a), (b), and (c), but the total amount entered on these lines in any one column must not exceed the exemption specified. The exemptions do not apply to the obligations where the word "None" appears.

Enter in column 5 on the proper lines the principal amounts of the various obligations owned in excess of the exemptions specified during the taxable period, including your share of these obligations owned by a partnership, or an estate or trust.

To determine the interest on any class of obligations received during the taxable period, where the books are kept on a cash receipts and disbursements basis, add to the amount of all coupons and registered bond interest falling due within the taxable period the amount of accrued interest received on sales of obligations between interest payment dates, and deduct from this sum the accrued interest paid on purchases of obligations between interest payment dates. This method will be followed where books are kept on a cash basis, whether or not the coupons falling due within the taxable period are actually cashed.

If the books are kept on the accrual basis, report the actual amount of interest accrued on the obligations owned during the taxable period.

9. OTHER INCOME.

Enter all other taxable income for which no place is provided elsewhere on page 1 of the return, together with any dividends specifically excluded from Item 7.

10. TOTAL INCOME.

Enter the net amount of Items 1 to 9, inclusive, after deducting any expenses reported in Item 1, and losses in Items 2, 4, 5, and 6.

11. LOSSES BY FIRE, STORM, ETC.

Enter as Item 11 losses of property not connected with your trade, business, or profession sustained during the year from fire, storm, shipwreck, or other casualty, or from theft, which were not compensated for by insurance or otherwise. (See Section 214 (a) 6 of the Revenue Act of 1921.)

Losses claimed should be explained in Schedule F on page 2 of the return.

12. INTEREST PAID.

Enter as Item 12 interest paid on personal indebtedness as distinguished from business indebtedness (which should be deducted under Schedules A or B). Do not include interest on indebtedness incurred or continued for the purchase of bonds and other obligations, the interest on which is wholly exempt from tax, except interest on indebtedness incurred to purchase or carry Victory Liberty Loan 3½% Notes, which were originally subscribed for by you.

13. TAXES PAID.

Enter as Item 13 personal taxes paid and all taxes on property not used in business or profession, not including those assessed against local benefits of a kind tending to increase the value of the property. Do not include Federal income taxes, taxes imposed upon your interest as shareholder or member of a corporation, which are paid by the corporation without reimbursement from you, nor income and profits taxes claimed as a credit in Item 33, page 1 of the return.

14. BAD DEBTS.

Enter as Item 14 all bad debts other than those claimed as a deduction in items above. State in Schedule G, (a) of what the debts consisted, (b) when they were created, (c) when they became due, and (d) how they were actually determined to be worthless.

15. CONTRIBUTIONS.

Enter as Item 15 contributions or gifts made within the taxable period to or for the use of: (a) the United States, any State, Territory, or any political subdivision thereof, or the District of Columbia, for exclusively public purposes; (b) any corporation or community chest fund, or foundation, organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, including posts of the American Legion or the Women's Auxiliary units thereof, or for the prevention of cruelty to children or animals, no part of the net earnings of which inures to the benefit of any private stockholder or individual; or (c) the special fund for vocational rehabilitation authorized by section 7 of the Vocational Rehabilitation Act; to an amount which in all the above cases combined does not exceed 15 per cent of the taxpayer's net income as computed without the benefit of this paragraph.

Fiduciaries filing this return for estates in the process of administration are allowed, in lieu of this deduction, that provided in Section 219 (b) of the Revenue Act of 1921.

List names of organizations and amounts contributed to each in Schedule E.

16. OTHER AUTHORIZED DEDUCTIONS.

Enter any other authorized deductions for which no place is provided elsewhere on page 1 of the return. Do not deduct losses incurred in transactions which were neither connected with your trade or business, nor entered into for profit.

If this return is filed for an estate in the process of administration, there may be deducted the amount of any income properly paid or credited to beneficiaries.

Any deduction claimed should be explained in Schedule G.

17. TOTAL DEDUCTIONS.

Enter as Item 17 the total of Items 11 to 16 inclusive. This amount should not include any deduction claimed in Schedule A.

18. NET INCOME.

Enter as Item 18 the net income, which is obtained by deducting Item 17 from Item 10.

19. PERSONS REQUIRED TO MAKE A RETURN OF INCOME.

An income tax return must be filed by every citizen of the United States whether residing at home or abroad, and every person residing in the United States, though not a citizen thereof, whose gross income for the taxable period 1922 amounted to \$5,000 or whose net income amounted to—

- (a) \$1,000 if single or if married and not living with husband or wife.
- (b) \$2,000 if married and living with husband or wife.

If the combined net income of husband, wife, and dependent minor children equaled or exceeded \$2,000, or if the combined gross income of husband, wife and dependent minor children equaled or exceeded \$5,000 all such income must be reported on a joint return or on separate returns of husband and wife. If single and the net income, including that of dependent minors, if any, equaled or exceeded \$1,000, or if the gross income equaled or exceeded \$5,000, a return must be filed. A minor, however, having a net income of \$1,000 or \$2,000, according to the marital status, or a gross income of \$5,000, must file a return.

Under each of the above conditions, a return must be filed even though no tax is due. Note especially Instruction 23, "Credits for Personal Exemption and Dependents."

In the case of husband and wife whose combined net income exceeds \$5,000, Form 1040 (not Form 1040 A) should be used for separate returns, even though the income on one or both returns is less than \$5,000.

The income of a minor or incompetent, if derived from a separate estate under control of a guardian, trustee or other fiduciary, must be reported by such legal representative.

Income of (a) estates of decedents before final settlement; (b) trusts, whether created by will or deed for unascertained persons or persons with contingent interests; or income held, or which under the terms of the will or trust may be held, for future distribution, is taxed to the fiduciary as a single person, except that from the income of a decedent's estate there may first be deducted any amount properly paid or credited to a beneficiary.

If the net income of a decedent from the beginning of the taxable period to the date of his death was at the rate of \$1,000, if unmarried, or \$2,000, if married and living with husband or wife, or if the gross income was at the rate of \$5,000 or over, the executor or administrator shall file a return on Form 1040 or 1040A for such decedent.

20. PERIOD TO BE COVERED BY RETURN.

Your return must be filed for the calendar year ending December 31, 1922, or for the fiscal year ending on the last day of any month other than December. The dates on which the period covered by the return begins and ends, if other than a calendar year, must be plainly stated at the head of the return.

The accounting period established must be adhered to for subsequent years, unless permission was received from the Commissioner to make a change. In the case of a return for a period of less than one year, the net income shall be placed on an annual basis by multiplying the amount thereof by twelve and dividing by the number of months included in such period; and the tax shall be such part of a tax computed on such annual basis as the number of months in such period is of twelve months.

21. ACCRUED OR RECEIVED INCOME.

If your books of account are kept on an accrual basis, report all income accrued, even though it has not been actually received or entered on the books, and expenses incurred instead of expenses paid.

If your books do not show income accrued and expenses incurred, report all income received or constructively received, such as bank interest credited to your account and expenses paid.

22. ITEMS EXEMPT FROM TAX.

The following items are exempt from Federal income tax and should not be reported, unless it is desired to establish a net loss, in which case see Section 204 of the Revenue Act of 1921:

- (a) The proceeds of life insurance policies paid upon the death of the insured;
- (b) The amount received by the insured as a return of premium or premiums paid by him under life insurance, endowment, or annuity contracts, either during the term or at the maturity of the term mentioned in the contract or upon surrender of the contract;
- (c) Gifts (not made as a consideration for service rendered), and money and property acquired under a will or by inheritance (but the income derived from money or property received by gift, will, or inheritance is taxable and must be reported);
- (d) Interest upon (1) the obligations of a State, Territory or any political subdivision thereof, or the District of Columbia; or (2) securities issued under the provisions of the Federal Farm Loan Act of July 17, 1916; or (3) the obligations of the United States or its possessions. In the case of obligations of the United States issued after September 1, 1917 (other than postal savings certificates of deposit), the interest is exempt only if and to the extent provided in the respective acts authorizing the issue thereof as amended and supplemented by Section 1328 of the Revenue Act of 1921, and should be excluded from gross income only if and to the extent it is wholly exempt to the taxpayer from income, war profits, and excess profits taxes;
- (e) Amounts received through accident or health insurance or under workmen's compensation acts, as compensation for personal injuries or sickness, plus the amount of any damages received, whether by suit or agreement, on account of such injuries or sickness;
- (f) Amounts received as compensation, family allotments and allowances under the provisions of the War Risk Insurance and the Vocational Rehabilitation Acts, or as pensions from the United States for service of the beneficiary or another in the military or naval forces of the United States in time of war;
- (g) The rental value of a dwelling house and appurtenances thereof furnished to a minister of the gospel as part of his compensation;
- (h) Compensation paid by a State or political subdivision thereof to its officers or employees.

23. CREDITS FOR PERSONAL EXEMPTION AND DEPENDENTS.

If you were married and living with your husband or wife or were head of a family on the last day of your taxable period, you may subtract from your net income on Form 1040, before calculating your normal tax, an exemption of \$2,000, plus \$400 for each person (other than husband or wife) under 18 years of age or incapable of self-support because mentally or physically defective, who was receiving his chief support from you on that date; but in no case shall the tax, computed with an exemption of \$2,000, exceed the tax which would be payable if the exemption were \$2,500 by more than the amount of the net income in excess of \$5,000. If husband and wife make separate returns, the exemption of \$2,000 may be claimed by either (but not by both) or may be divided between them, but the credit of \$400 for each dependent may be claimed only by the person furnishing the child support.

If you were not married or did not live with husband or wife and were not head of a family on the last day of your taxable period, you are entitled to a personal exemption of \$1,000 plus \$400 for each dependent person under 18 years of age or incapable of self support because mentally or physically defective, who was receiving his chief support from you on that date.

An exemption of \$1,000 may be claimed in cases where Form 1040 is filed for estates in process of administration, or with respect to income held for future distribution.

If by reason of a change in your accounting period a return is filed for part of a year, the personal exemption and credit for dependents may be claimed in accordance with your status on the last day of such taxable period. (See also Instruction 20 on this page.)

A "head of family" is a person who actually supports one or more persons living in his (or her) household, who are closely related to him (or her) by blood, marriage, or adoption.

24. AFFIDAVIT.

The affidavit must be executed by the person whose income is reported unless he is a minor or incompetent or unless he is ill, absent from the country, or otherwise incapacitated, in which case the legal representative or agent may execute the affidavit. A minor, however, making his own return, must execute the affidavit.

The oath will be administered without charge by any collector, deputy collector, or internal revenue agent, or (if you are in the military or naval service of the United States) by any military or naval officer who is authorized to administer oaths for purposes of military or naval justice and administration. If an internal revenue officer is not available, the return should be sworn to before a notary public, justice of the peace, or other person authorized to administer oaths.

25. WHEN AND WHERE THE RETURN MUST BE FILED.

If the return is for the calendar year 1922, file it with the Collector of Internal Revenue for the district in which you live or have your principal place of business on or before March 15, 1923. If for a period other than the calendar year, the return should be filed on or before the 15th day of the third month following the close of such period.

If the address of the collector is not printed on the return and you do not know it, ask at the post office or bank.

In case you have no legal residence or place of business in the United States, the return should be forwarded to the Collector of Internal Revenue, Baltimore, Maryland.

26. WHEN AND TO WHOM THE TAX MUST BE PAID.

The tax should be paid, if possible, by sending or bringing with the return a check or money order drawn to the order of "Collector of Internal Revenue at (insert name of city and State)."

Do not send cash through the mail, or pay it in person, except at the office of the collector.

The tax may be paid in four equal installments as follows:

The first installment shall be paid at the time fixed by law for filing the return, the second installment shall be paid on the 15th day of the third month, the third installment on the 15th day of the sixth month, and the fourth installment on the 15th day of the ninth month after the time fixed by law for filing the return.

The total tax may be paid at the time of filing the return, or if paid in installments as provided above, the balance due at any time may be paid in full on or before the date when the next installment is due. One installment must be paid and the balance may be paid in installments, or in full, on or prior to any subsequent installment date referred to above. Failure to pay any installment on or before the date fixed by law makes the taxpayer liable for the payment of the balance of tax upon notice and demand by the collector.

27. PENALTIES.

For Making False or Fraudulent Return.

Not exceeding \$10,000 or not exceeding one year's imprisonment, or both, at the discretion of the court, and, in addition, 50 per cent of the tax evaded.

For Failing to Make Return on Time.

Not more than \$1,000, and, in addition, 25 per cent of the total amount of the tax.

For Failing to Pay Tax When Due or Understatement of Tax Through Negligence, etc.

Five per cent of the tax due but unpaid, plus interest at the rate of 1 per cent per month during the period in which it remains unpaid.

28. INFORMATION AT SOURCE.

Every individual making payments of salaries, wages, interest, rents, commissions, or other fixed or determinable income of \$1,000 or more during the calendar year, to any individual or partnership, is required to make a true and accurate return to the Commissioner of Internal Revenue, showing the amount of such payments and the name and address of the recipient. Forms 1096 and 1099, for reporting such information, will be furnished by any collector of internal revenue. Such returns of information covering the calendar year 1922 must be forwarded to the Commissioner of Internal Revenue, Sorting Section, Washington, D.C., in time to be received not later than March 15, 1923.

29. TABLES OF SURTAX AND INSTRUCTIONS FOR CALCULATION.

SURTAX RATES FOR CALENDAR YEAR 1922. (See Article ?? of Regulations ???)						INSTRUCTIONS.						
Amount of Net Income.	Rate.	Total Surtax on Each Amount.	Amount of Net Income.	Rate.	Total Surtax on Each Amount.	To compute the amount of surtax on any amount of net income in excess of \$6,000— First: Find in column A the largest sum which is less than the total amount of the net income subject to surtax (Item 19, page 1 of the return.) Second: Find in column C the corresponding amount of total surtax. Third: To the amount of surtax found as above add an amount computed as follows: Subtract from the net income the sum found in column A and multiply the remainder by the rate shown on the next line below in column B. The sum of three two amounts is the total surtax due. In the case of a bona fide sale of mines, oil, or gas wells, or any interest therein, the surtax on the profit shall not exceed 15 per cent of the selling price as provided by Section 211 (b) of the Revenue Act of 1921.						
A	B	C	A	B	C	CALCULATION OF SURTAX.						
\$4,000	.....	.....	\$60,000	27	\$7,480	1. ITEMS	EXAMPLE FOR NET INCOME OF \$13,000		COMPUTATION OF SURTAX ON ITEM 19, PAGE 1 OF THE RETURN			
10,000	1	\$40	62,000	28	8,020		2. Income	3. Tax	4. Net Income	5. Surtax		
12,000	2	80	64,000	29	8,600		1. Largest amount in column A which is less than the net income upon which the tax is to be computed, and the surtax extended thereon as shown in column C -----	\$12,000.00	\$80.00	\$-----	\$-----	
14,000	3	140	66,000	30	9,200							
16,000	4	220	68,000	31	9,820							
18,000	5	320	70,000	32	10,460		2. Balance of net income, and surtax estimated thereon at rate shown in column B on the next amount in column A which follows the amount entered on line 1 above -----	1,800.00	34.00	-----	-----	
20,000	6	440	72,000	33	11,120							
22,000	8	600	74,000	34	11,800							
24,000	9	780	76,000	35	12,500		3. TOTALS (Enter total of column 5, as Item 29, on page 1 of the return -----)	\$13,800.00	\$114.00	\$-----	\$-----	
26,000	10	980	78,000	36	13,230							
28,000	11	1,200	80,000	37	13,980							
30,000	12	1,440	82,000	38	14,720							
32,000	13	1,700	84,000	39	15,500							
36,000	15	2,300	86,000	40	16,300							
38,000	16	2,620	88,000	41	17,120							
40,000	17	2,980	90,000	42	17,960							
42,000	18	3,120	92,000	43	18,820							
44,000	19	3,700	94,000	44	19,700							
46,000	20	4,100	96,000	45	20,600							
48,000	21	4,520	98,000	46	41,520							
50,000	22	4,960	100,000	47	22,460							
52,000	23	5,420	150,000	48	46,480							
54,000	24	5,500	200,000	49	70,960							
56,000	25	5,?0	200,000+	50	.....						
58,000	26	6,?0	.....	.....	.....				